

1954

## CONGRESSIONAL RECORD — SENATE

10123

## URANIUM POWER—SENATE RESOLUTION 143

Mr. President, at this time I quote from a report which has just been completed, pursuant to Senate Resolution 143, by the Minerals, Materials, and Fuels Economic Subcommittee, of which I am chairman, of the Committee on Interior and Insular Affairs.

The report was submitted to the Senate on July 9, 1954, by order of the Committee on Interior and Insular Affairs.

The report contained 12 recommendations. The eighth recommendation is as follows:

8. We recommend that goals for production of uranium for fuel be made adequate to meet both military and civilian requirements.

Mr. President, that is a positive recommendation. We need not depend on the Belgian Congo or on any other area across a major ocean, from which it will be impossible to secure such supplies in time of war.

I read further from our recommendation No. 8:

Hemisphere self-sufficiency in uranium for fuels can be attained. A liberal long-range market price must be maintained as long as Government control is necessary for security. A tremendous civilian potential use of uranium is assured based on nuclear power for industry.

## A GREAT INDUSTRY IN THE OFFING

Mr. President, I believe that one of the greatest industries in America will come from the splitting of the atom. I believe that the civilian use of the resulting commercial power will far surpass, in terms of the quantity or amount of material used, the use of such material for war preparation or even in war.

## THIS NATION SELF-SUFFICIENT IN URANIUM

Mr. President, just assume for a moment that we had a civilian industry that was using the amount of this fuel annually that would be necessary to prepare for war.

In that event the material would no longer be on the critical list.

In my considered opinion there is no question, since uranium has now been found in seven of our States, that we are assured an adequate domestic supply. Originally, uranium was known to exist in Utah and Colorado. In 1944, there was published an industrial report prepared by the junior Senator from Nevada, on 11 Western States. In connection with the report, we reported on the uranium area in Colorado and Utah; we devoted several pages of the report to a discussion of the supply of uranium in those two States.

Now uranium has been found in seven of our States, and it will be found in many more States. The question is simply that of keeping it profitable to find uranium.

I foresee a time when we shall have in the United States, Canada, Mexico, and adjacent countries, more uranium fuel than we could possibly use; and the same applies to every one of the 77 critical and strategic materials and minerals on the list with reference to the Western Hemisphere.

Mr. President, I wish to close by saying that I believe that the step the Atomic Energy Commission has recom-

mended, and that our Joint Committee on Atomic Energy is furthering, is a forward step. I am depending upon the committee, in which I have every confidence for the accuracy and completeness of the material submitted with the bill. I will vote for its passage.

## THE DROUGHT SITUATION IN TEXAS

Mr. JOHNSON of Texas. Mr. President, will the Senator from North Dakota yield to me at this time, with the understanding that in doing so he will not lose the floor?

Mr. LANGER. Yes, I yield, if I may obtain unanimous consent to do so with that understanding.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, Texas farm crops are burning up as a result of the combination of too much sun and not enough rain. In many parts of the State, the temperature has risen above 100 degrees for 10 or more consecutive days. Some areas have not had adequate rainfall within the last several years.

Corn is about gone in large areas of central and east Texas.

Pastures are rapidly passing the point of no return.

Milk production in the dry areas is declining.

Beef cattle producers in some sections are faced with the threat of having to sacrifice their foundation herds—which certainly would represent flagrant economic waste.

The small-grain harvest, almost completed in central Texas, resulted in yields far below normal.

Mr. President, the brutal truth is that the drought has never been broken in some parts of Texas. Conditions are worse today in these areas than they were last year or 2 years ago.

Today is the cutoff date for the national drought-relief protein-feed program, under which farmers and cattlemen have been receiving some assistance. The need for extending this program, or for devising a special aid program, for the stricken areas is great and immediate.

Mr. President, I have today sent messages to the President of the United States and to the Secretary of Agriculture to urge that this need be met without delay. These farmers and cattlemen, struggling against heavy odds to stay in the all-important business of producing food and fibers, deserve to receive a helping hand in their time of need.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD my letters on this very important subject, addressed by me to the President of the United States and to the Secretary of Agriculture.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

JULY 15, 1954.

The PRESIDENT,  
The White House,  
Washington, D. C.

MY DEAR MR. PRESIDENT: I regret to report that in some sections of Texas drought con-

ditions are the worst they have ever been. Pastures have dried up and small-grain harvest has resulted in yields far below normal. Dairy production in the affected areas—comprising especially some 25 counties in central Texas, but not confined to them—is rapidly declining. Beef-cattle producers are faced with the threat of having to sacrifice their foundation herds.

The national drought-relief protein-feed program, under which farmers and cattlemen have been receiving some assistance, expires as of this date. I respectfully urge the necessity either of extending this program or of devising a special program of assistance for the stricken areas.

Won't you please ask for an early report on this and see if a decision can be reached.

Sincerely,

LYNDON B. JOHNSON.

JULY 15, 1954.

The Honorable EZRA TAFT BENSON,  
Secretary of Agriculture,  
Washington, D. C.

MY DEAR MR. SECRETARY: As your Department has been informed by the Governor of Texas and the State agriculture commissioner, important areas of Texas are suffering severely from the continuing drought. Dairy production in the affected areas is declining rapidly. Beef cattle producers are faced with the threat of having to sacrifice their foundation herds.

Expiration as of this date of the national drought relief protein feed program leaves the drought-stricken areas without hope of assistance. I urge upon you in the strongest terms the wisdom and necessity either of extending the program or of devising a special program of assistance.

Won't you please ask for an early report on this and see if a decision can be reached. You will have my fullest cooperation toward that end.

Sincerely,

LYNDON B. JOHNSON.

Mr. JOHNSON of Texas. Mr. President, I thank the distinguished Senator from North Dakota for his courtesy and graciousness.

Mr. LANGER. Mr. President, it is always a pleasure to yield to the distinguished senior Senator from Texas.

## AID TO SOCIAL-SECURITY BENEFICIARIES COMPELLED TO SEEK ASSISTANCE UNDER STATE WELFARE PROGRAMS

Mr. LONG. Mr. President, will the Senator from North Dakota yield to me?

Mr. LANGER. I am glad to yield to the Senator from Louisiana, provided that I may obtain unanimous consent to do so without losing my right to the floor.

The PRESIDING OFFICER. Does the Chair correctly understand that the Senator from North Dakota is requesting unanimous consent to yield approximately 10 minutes to the Senator from Louisiana, provided that in yielding for that purpose, he will not lose the floor?

Mr. LANGER. Yes.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. LONG. Mr. President, on behalf of myself and Senators SMATHERS, MALONE, and KUCHEL, I have submitted an amendment to benefit those persons whose social security protection is so inadequate that they are compelled to seek public assistance under State wel-

fare programs. Briefly stated, the purpose of my amendment is to provide that those aged persons, as well as the blind and totally disabled, who are receiving public welfare assistance, will not have their assistance payments reduced by virtue of the modest increases in social security payments, resulting from the administration's social security bill.

To illustrate the problem, let me describe the situation in the State of Louisiana. There the majority of persons insured by social security have been receiving the minimum amount provided by law for old-age and survivors insurance payments.

Let us assume that a needy retired person 65 years old was receiving the \$10 minimum social security payment for years prior to September 1950. During the years 1948 through 1950, that same person was in need of public assistance, although his income from social security made his need \$10 less than that of a needy person who had no income whatever.

The public assistance portion of the social security legislation required that any public welfare plan should take into consideration all income of a citizen, from whatever source derived.

For this reason, a needy aged person with \$10 income from old age insurance would have had his \$50 old age assistance payment reduced by \$10. The only difference between his income and that of a person who had no social security insurance was that he received his income in two checks, while the other needy person received his \$50 in one check.

From the point of view of a man who had made payments to the social-security fund, this was a cruel paradox. He was exactly as well off as he would have been if he had not contributed to the fund at all.

In 1950, Congress increased the minimum social-security payment for the aged and blind to \$20. When the Louisiana Department of Welfare found that the income of a retired worker had been increased by \$10 from social-security sources, the department of public welfare immediately reduced the man's public assistance check from \$40 to \$30.

Again, the aged person who had contributed to the social-security fund found himself in no better position than the needy person who had not contributed at all.

The same result occurred in 1952, when the minimum benefit was raised from \$20 to \$25. Thus, we find that while the average recipient has had his old-age-insurance payments doubled, the less fortunate of these recipients have had no improvement in their situation. This is an odd situation—where the Federal Government has undertaken to increase payments to those covered by social security, with the result that those who have benefited the least have been those who needed the assistance most.

I am not unmindful of the fact that in 1952 Congress increased the matching for public assistance, in the effort to raise old-age assistance to \$55 with Federal matching. Nevertheless, the basic injustice remains, and a needy person

who has contributed to social security receives no reward under existing legislation. He will not receive any meaningful recognition of his contribution to the social-security fund, under the administration's proposal as it presently stands.

It is for that reason that I have been joined by one of my Democratic colleagues and two Republicans in a bipartisan effort to eliminate the defect of the law which would prevent needy persons from being benefited as a result of the proposed \$6 average increase in social-security payments.

If we are going to increase social-security benefits, why take the portion of benefits which would aid the needy and use it to reduce the burdens of expenses of State governments? If that is the purpose, it would be just as well to increase the matching formula for aid to State welfare plans. I have pending before the committee an amendment to increase Federal matching by \$10 on the average pension. Thus far, I have received little support for that amendment, and I have virtually no hope of securing favorable action on it at this session.

I am confident that Secretary Hobby and Assistant Secretary Rockefeller have every desire to make the administration's social-security bill a model of farsighted and sympathetic understanding of the needs of citizens.

There is no doubt in my mind that this situation is an oversight by those conscientious persons, who have had only 2 years' responsibility for public welfare legislation. I say this without partisan feeling. Democrats, too, have made their share of mistakes in groping for the answer to our public welfare and social-security problems. In fact, a Democratic administration twice made the very same error.

The philosophy of my amendment is evidenced elsewhere in the administration's social-security bill. For example, the standards and conditions under which a person can draw old-age assistance payments and continue to work have been liberalized considerably. It will, in fact, be possible for an individual to earn as much as \$1,880 a year without losing even 1 month's benefits.

Surely those who have recommended such liberal provisions for the relatively more fortunate would not want to insist upon Scrooge-like penury in dealing with the needy. I feel certain that the adoption of the amendment proposed by me and the three other Senators would be an important improvement in the administration's bill. It would be an accomplishment in which both parties could take considerable pride.

#### ACTIVITIES OF SENATE SMALL BUSINESS COMMITTEE IN CONNECTION WITH ATOMIC ENERGY QUESTIONS

During Mr. LANGER's speech,  
Mr. THYE. Mr. President—

Mr. KEFAUVER. Mr. President, will the Senator from North Dakota yield to me?

Mr. LANGER. I yield first to the Senator from Minnesota [Mr. THYE], with the understanding that I shall not lose the floor.

Mr. THYE. I thank the distinguished Senator from North Dakota for yielding to me. I wish to lay before the Senate a report concerning the activities of the Small Business Committee in connection with the atomic energy question.

As chairman of the Senate Small Business Committee, I have been concerned within the past month with eight telegrams and letters I have received from certain rural electric cooperatives on the subject of amendments to the Atomic Energy Act. These amendments are currently under discussion on the Senate floor in the form of S. 3690.

The communications I have received have been concerned primarily with those provisions in the present bill which deal with the compulsory license provisions as contained in section 152 of S. 3690. It is the contention of the co-ops that the bill does not contain sufficiently stringent provisions which will prevent private utilities from gaining a monopoly in the all-important field of development of nuclear power.

I want to make clear that both as an individual Senator and as chairman of the Senate Small Business Committee, I will continue to fight against any form of monopoly which would serve to weaken our free enterprise economy. I also feel compelled to add that as one who has spent his entire life fighting for a healthy and strong agricultural economy in this country, I am fully aware of the future potential which the production of nuclear power holds for the rural areas of the Nation.

During the past few weeks I have personally studied carefully all the information I have been able to receive on the subject of atomic energy. The staff of the Small Business Committee has also been working on this matter for the past 3 or 4 weeks. I have kept in constant touch with the staff to keep abreast of their activities. I have read the proposed bill, and I have gone over the report of the joint committee on atomic energy which was issued on July 12, 1954.

In considering whether the Small Business Committee should hold hearings on the amendments to the atomic energy bill, it had to be determined that such hearings would be in the best interests of all parties concerned.

In the course of our study, we found that section 15 (b) of the atomic energy bill and section 201 of S. 3690 contained the following language:

All bills, resolutions, and other matters in the Senate or the House of Representatives relating primarily to the Commission or to the development, use, or control of atomic energy shall be referred to the joint committee.

That immediately raised the question of the jurisdiction of our committee. A study of this point reveals that it was the clear thinking of both Houses of Congress that the subject of atomic energy was of such great importance to the American people that it demanded the appointment of a joint congressional

1954

## CONGRESSIONAL RECORD — SENATE

10125

committee which would devote all of its time and energies to this subject. There has been no dispute as to the soundness of that decision. The Senate has nine members on the joint committee chosen from both political parties. The non-partisan character of the work of the joint committee has impressed me on many occasions. The work of the committee and its staff has always been of the highest caliber and has earned the deep respect not only of the Congress but of the American people.

When I read the law quoted above, I immediately instructed the staff of our committee to contact the staff of the joint committee in an effort to accomplish the following:

First. To determine if all parties interested in the amendments to the atomic energy bill had been given an opportunity to appear before the committee to present their views.

Second. To relate to the joint committee the nature of the complaints we had received.

Third. To determine if the same subjects had been discussed in hearings held by the joint committee.

Fourth. To determine whether careful study had been given to these complaints.

The staff of our committee has reported to me as follows in line with my instructions:

First. The parties who have written to this committee were represented before the joint committee and testified on S. 3690.

Second. The Small Business Committee staff did relate to the joint committee the nature of the complaints we had received.

Third. These same complaints were registered with the joint committee.

Fourth. A most careful study was given to these complaints by the joint committee.

In line with point 4 above, I call your attention to the fact that the subject of compulsory licensing was one of the most controversial subjects taken up by the joint committee. That is evidenced by the minority reports presented in the joint committee report, No. 1699. One minority report took the position that there should be no compulsory licensing provisions contained in the bill. Compulsory licensing was attacked as being unconstitutional, unnecessary, dangerous, and in conflict with current patent laws and procedures.

The other minority report stated that the bill did not go far enough in providing for compulsory licensing and that the bill placed too many requirements for obtaining such a license.

It is interesting to note that no Senator of either party wrote a minority report on any subject contained in the bill. In other words, the nine most capable Senators whom we have designated to represent the Senate of the United States on the joint committee are recommending that we adopt the provisions as written in S. 3690. That does not mean that we are obligated in any way to accept these provisions. The floor debate on this bill has already demonstrated that there are certainly

many questions which must be explored and debated on the Senate floor. However, the fact that compulsory licensing was a major topic of discussion within the joint committee, the fact that both extremes on this subject are ably set forth in the report, and the fact that none of the Members of the Senate on the joint committee filed a minority report must weigh heavily when you consider whether or not another committee of the Senate should open public hearings on the same subject matter.

The reason I am making this explanation, as chairman of the Committee on Small Business, is that some Members of the Senate have expressed the hope that the Small Business Committee would hold hearings on this question. I am stating why at the present time I, as chairman, do not believe it to be advisable for the Small Business Committee to proceed with hearings. I feel that the Joint Committee on Atomic Energy has gone into the question very fully and very thoroughly.

Should another committee of the Senate hold hearings on these provisions, it is logical to assume that the same parties would appear and the same arguments would be advanced. The question of needless duplication of effort immediately comes to mind.

It would appear that the joint committee in reporting out S. 3690 took into consideration all of the arguments proposed and have come to us with a carefully thought out compromise.

I also feel impelled to add that the staff of the Senate Small Business Committee has also contacted the REA concerning this matter. We have been assured that REA, under the direction of Ancher Nelsen, has already taken measures that will insure that the agency will be kept abreast of all developments in the nuclear power field and will be in a position to work with the Atomic Energy Commission in those matters which will be of future benefit to the rural electric cooperatives of this Nation.

Returning to the subject of compulsory licensing, it must also be realized that there are many businessmen represented by our committee in the Senate who are opposed to such a provision. We have a situation where the same arguments at both extremes of this subject would present themselves just as they did before the joint committee.

I strongly believe that the field of nuclear power development must be closely watched by all Members of the Senate, and every effort must be made by the Congress, by the Department of Justice, by the Atomic Energy Commission, and by the Federal Trade Commission that the small-business concerns and the rural electric cooperatives and other parties in interest are not frozen out by anyone who has monopolistic designs on this development.

In line with that thinking, I can assure you that as long as I am chairman of the Small Business Committee and as long as I am a Member of the United States Senate, I will do all that is in my power to insure to future generations the fullest development of

atomic energy for peacetime use, free from the encroachments of monopoly. I have, therefore, instructed the staff of the Senate Small Business Committee to make the subject of atomic energy a continuous part of the work of this committee. We have been assured the fullest cooperation from the joint committee, the Atomic Energy Commission, the REA, the Justice Department, and the Federal Trade Commission.

I thank the distinguished Senator from North Dakota for yielding to me at this time, because I have released my statement to the press, and I was eager to make it on the floor of the Senate.

Mr. LANGER. The distinguished Senator from Minnesota has made an excellent report on the present situation, particularly as it refers to small business.

Mr. KEFAUVER. Mr. President, will the Senator from North Dakota yield to me?

Mr. KNOWLAND. Mr. President, the distinguished Senator from North Dakota has been extremely generous with his time. He has yielded to Members on both sides of the aisle. He has shown great courtesy to Members of the Senate. Certainly I have no desire to object to the request of the Senator from Tennessee, if his request is to make a speech for a limited period of time, perhaps 5 or 10 minutes. However, it should be noted that it is contrary to the rules of the Senate, as I am sure the Senator knows, for a Senator to yield to another Senator who must leave the Chamber except for an insertion in the Record or a brief statement. Of course, we have not applied the rule strictly in that regard, and I do not wish to object or ask for a strict application of the rule at this time. I think, however, that in fairness to every Senator, unless the request is for a limited period of time, it should not be made. The distinguished Senator from North Dakota has a speech which he would like to complete. I hope there will be some understanding as to the amount of time the Senator from Tennessee desires.

Mr. LANGER. The Senator from Tennessee will be the last Senator to whom I shall yield today until I have finished my speech. Of course, I am willing to yield to him if no objection is made. I understand that he has released his statement to the press.

Mr. KNOWLAND. I have no desire to prevent the Senator from Tennessee speaking at this time, but I should like to have some understanding with regard to the amount of time he desires.

Mr. KEFAUVER. I have not spoken on the pending business at all, and the Senator from North Dakota had promised to yield to me before he yielded to several other Senators, and I have stood by while the Senator from North Dakota has yielded to the other Senators before yielding to me, which of course was agreeable to me. My speech will not be a long one, but I cannot say just how long it will take, because I do not know what colloquy might be involved.

Mr. KNOWLAND. Can the Senator make an estimate? Will it take 10 minutes or 15 minutes or 20 minutes? I

should like to have some understanding on that point. If the speech is to take more than that length of time it would seem to me that the orderly procedure would be to let the distinguished Senator from North Dakota complete his address first. It is contrary to the rule of the Senate to surrender, in effect, a prerogative of the Chair to a Senator. I do not believe that normally that is a good parliamentary practice.

I am sure if the Senator from Tennessee would set some limit on the length of time he desires, and if before he completed his speech he required more time, there would be no desire to object if he needed an additional 5 minutes, perhaps. I hope we can maintain the orderly procedures of the Senate.

Mr. LINGER. Mr. President, as I understand, the distinguished Senator from Tennessee has released his statement to the press. Therefore I yield the floor.

#### REVISION OF THE ATOMIC ENERGY ACT OF 1946

The Senate resumed the consideration of the bill (S. 3690) to amend the Atomic Energy Act of 1946, as amended, and for other purposes.

Mr. KEFAUVER. Mr. President, I thank the Senator from North Dakota very much for his thoughtfulness and generosity. The Senator has been very generous by yielding without any limitation to other Senators, I believe to five Senators on the other side of the aisle and to three Senators on this side of the aisle. I shall not take long with my remarks, but I do appreciate the Senator's thoughtfulness.

I feel confident that none of the 82 Congresses that have preceded this one was ever called upon to consider and enact a more important piece of legislation than the atomic energy bill now before us.

I am equally confident that no legislation, even remotely comparable to this in its importance, was ever taken up in such an atmosphere of haste.

There seems to be a determination somewhere—I do not know where or in whose bosom—to get this bill through the Congress before we know all there is to know about it.

I appreciate the desire of many persons to wind up the legislative business as rapidly as possible and go home. But I am sure the country feels that this matter is much too important to be decided in a last minute burst of legislative energy.

As time is measured, atomic energy is a new human problem. But it is a problem so vital, so enormous in its consequences, that a flaw in our handling of it could well mean the end of human existence.

Atomic energy is a force about which we must be able to formulate a basic philosophy. Unfortunately, because of its highly technical nature, only a relative handful of people can appreciate the magnitude of the problem before us.

Mr. President, we cannot approach this problem as if it were a resolution proclaiming National Honeysuckle Week, or an amendment to the tax bill. We

are dealing here with the basic stuff of the universe.

We are trying to answer a fundamental question of philosophy by formulating rules of administration for a Government agency.

I believe that if we persist in this approach, we shall find ourselves, within a very few years, in a Gordian knot of cultural, scientific, and legal difficulties.

In discussing this measure, I intend to confine myself to but one of its many aspects: The Atomic Energy Commission and its relations with plain, everyday, conventional, steam-generated electricity.

I am sure that certain of my colleagues will, as others have already done, shed a great deal of light on other phases of this vital measure before us.

Mr. President, I do not believe one has to be an expert in nuclear physics to see that the proposed Dixon-Yates contract is a bald perversion of authority Congress intended the Atomic Energy Commission to have.

I do not mean to infer that the Congress in any way mistrusted the Atomic Energy Commission. The record will show it is a most favored agency. For the 1955 fiscal year, for instance, we appropriated more than \$1 billion to carry on the work of the Commission. Later Congresses will most probably do likewise.

The fact is that Congress intended the Commission to do certain things under the authority granted it. And there were certain things that the Congress did not intend it to do.

Under section 12 (b) of the Atomic Energy Act, as amended, Congress gave the Commission authority to enter into long-term contracts to purchase power for use in AEC installations.

I think we would all agree that the Commission needs such authority to insure the proper functioning of its various plants and operations.

But I do not believe that even by the most tortured logic can we twist and subvert the authority granted therein to cover the contractual monstrosity presented in the Dixon-Yates proposal.

Mr. President, I was very much interested in the excellent address delivered by the junior Senator from Mississippi [Mr. STENNIS] in which he analyzed the legislative history of section 12 (b), pointing out that when the Atomic Energy Commission first needed additional power at its Paducah plant and also at its Portsmouth, Ohio, plant, it asked Congress for authority to enter into contracts to enable it to obtain power. The Commission was given general authority at that time to make contracts for securing power. The legislative history is that the three places, Oak Ridge, Paducah, and Portsmouth, were written into section 12 (b), which undoubtedly shows that the legislative intent was to enable the Commission to enter into power contracts only at those specific places. It seems to me that is a logical conclusion. It is one which any court in the land would follow. When certain places are named, without a clause providing that other locations are not excluded, it is meant to limit the Atomic Energy Commission to contracts

at those specific places. That would be true even in the absence of legislative history. Where the legislative history shows there were 3 specific locations, the inevitable meaning is that the legislation intended that the Commission could enter into contracts only for power which would go directly to those 3 places.

Mr. President, it is not fair to the Congress and it is not fair to the agencies involved to twist the legislative intent of Congress as expressed in section 12 (b) of the Atomic Energy Act.

As has been pointed out on this floor time and time again, nothing in the basic Atomic Energy Act gives AEC the remotest authority to purchase electric power for use of the 400,000 citizens of Memphis, Tenn., and the people in that area.

If the proposal had no other fault—actually, it is riddled stem to stern with the most atrocious shortcomings—I would still be against it.

Let me say that I would be just as firm in my opposition if the AEC proposed to supply electric-power services to the people of San Diego, Calif., or Pleasant Point, Maine.

Mr. President, in 1934—20 long years ago—the people of Memphis voted 16 to 1 to buy their electric power from the Tennessee Valley Authority. They purchased their own distribution system and entered into an agreement to buy their power wholesale from TVA.

A part of the system was purchased by the city of Memphis for which bonds were issued obligating the city of Memphis and its citizens for the payment of the bonds. A part of the facilities of the Commonwealth & Southern were purchased by the Tennessee Valley Authority. The deal was consummated between the cities, the TVA, and cooperatives in the area. In the Congress itself meetings were held, and finally the arrangements were made and the Congress of the United States authorized the issuance of bonds by the Tennessee Valley Authority for the purchase of facilities in that area. It was set forth in the legislation approving the issuance of those bonds that the area should be served by the Tennessee Valley Authority. Since that time it has been so served. There has been a friendly relationship between it and the private power companies operating in the adjacent areas.

There has been no attempt on the part of the TVA to spread out into some other section, and up to this time there has been no open attempt on the part of the private power companies to get into the TVA territory.

Mr. SPARKMAN. Mr. President, will the Senator from Tennessee yield?

Mr. KEFAUVER. I yield very happily to my distinguished colleague from Alabama, who was a Member of the House Military Affairs Committee at the time this arrangement was negotiated and worked out, and the legislation was passed.

Mr. SPARKMAN. As a matter of fact, I would remind my friend from Tennessee that I was the sponsor of that legislation in the House of Representatives.

Mr. KEFAUVER. That is correct.